

Bureau of Employment Relations - Wage and Hour Division Improved Workforce Opportunity Wage Act - FAQs

The Improved Workforce Opportunity Wage Act <u>Public Act 337 of 2018</u>, as amended by <u>Public Act 368 of 2018</u> Frequently Asked Questions (FAQs)

1. When will Michigan's minimum hourly wage rate increase?

Effective March 29, 2019, the minimum hourly wage rate will increase from \$9.25 to \$9.45 per hour.

2. Did Michigan's overtime requirements change?

No. Overtime requirements remain the same under the Improved Workforce Opportunity Wage Act. Nonexempt employees should be paid 1-1/2 times their regular rate of pay for hours worked over 40 in a 7-day workweek.

3. Who is covered by the Michigan minimum wage and overtime law?

The Improved Workforce Opportunity Wage Act applies to employees who work in Michigan for employers that have 2 or more employees, 16 years of age and older. Employers subject to both the state and federal minimum hourly wage rate should follow the stricter standard.

4. Is there a different minimum hourly wage rate for minors?

Minors 16 to 17 years of age may be paid 85% of the minimum hourly wage rate. Effective <u>March 29</u>, 2019, 85% of the minimum hourly wage rate will increase from \$7.86 to \$8.03 per hour.

5. Is there a training wage for newly hired employees 16 to 19 years of age?

Newly hired employees, age16 to 19 years may be paid \$4.25 per hour for the first 90 days of their employment.

6. What is the minimum hourly wage rate for tipped employees?

Tipped employees may be paid 38% of the minimum hourly wage rate provided:

- Employees are informed of the tip provisions
- Employees receive and report tips
- The tips received plus the wages paid equals or exceeds the minimum hourly wage rate and if not, the employer pays the shortfall

Effective March 29, 2019, 38% of the minimum hourly wage rate will increase from \$3.52 to \$3.59 per hour.

7. How do I obtain the required minimum wage poster?

The minimum wage and overtime poster may be downloaded from the Wage and Hour Division's website, www.michigan.gov/wagehour, or free copies may be requested by calling 855-464-9243 (4MI-WAGE). Posters are available in English, Spanish, and Arabic.

8. How do I file a claim for unpaid minimum wages and/or overtime?

Claims may be filed online at www.michigan.gov/wageclaim, in person at a Wage and Hour Division office, or a form may be requested by calling 855-464-9243 (4MI-WAGE). Claim forms are available in English, Spanish, and Arabic.

9. What if I have additional questions?

Please visit www.michigan.gov/wagehour or call 855-464-9243 (4MI-WAGE).